

**HIDDEN VALLEY VILLAGE OWNERS ASSOCIATION**  
**Board of Directors Meeting**  
**Minutes**

**Date of Meeting: Wednesday, September 13, 2017**

**Time:** 6:00pm or immediately following Executive Session Board Meeting

**Location:** Hidden Valley Common area room.

General

- a. Call to order by President Tony Cole: 6:17 pm
- b. Roll call. Board Members Present at Hidden Valley: Tony Cole, Steve Latshaw, Kim Walters, Ruth Wheeler, Greg Wheeler. Present by phone: Randy Balik. Absent David Natali. Management: Steve Black, Valerie Black, Jeff Fulton. Owners and guests present: Chalise Miller Unit 109, Jay Mueler, Gail Mueler, Unit 113, Randy Hillier (by phone) unit 129.
- c. Approval of Minutes for June 10, 2017 Board of Directors Meeting

**Motion:** Tony Cole Approve Minutes for June 10, 2017 meeting

Second: Greg Wheeler

Passed 6-0

1. Announcements/Orders of the day: Discussion at the executive session included: no owners in arrears, and no violations or fines. Discussion regarding the direction that the board would like the managers to take with regard to enforcing the CC&Rs and Operating Rules took place as well as the need for two more nominations for board positions.
2. Treasurers Report
  - a. financial report: July Financial Statement

<b>FINANCIAL SNAPSHOT FOR MONTH ENDED</b>		58.1%	Into Annual Budget period
<b>July 31, 2017</b>			
-		79.2%	Operating Expense budget spent
Operating Fund	\$44,348	\$319,550	2017 Total Operating Expense Budget
Contingency Fund	\$17,063	\$253,105	YTD Operating Expenses
Replacement Fund	\$208,407	(\$65,605)	YTD OVER budget due to Snow Removal
Total Funds	\$269,818	-20.5%	YTD Over/Annual Operating Budget
		<b>\$63K Emergency Snow Removal Assessment Aug-Oct</b>	
7	Units Past Due for HOA Dues	\$1,219	3.3% Replacement Expense budget spent
11	Units Pd in Advance for HOA Dues	(\$12,310)	\$89,352 2017 Replacement Expense Budget
<u>Past Due Items of Note:</u>		\$2,926	YTD Replacement Expenses
-	\$10 Dues increase effective Jan 2017	\$89,426	YTD Under Replacement Budget Spending
<b>Special Assessment Payments Due Aug-Oct 2017</b>		1.8%	YTD Repl Exp/Annual Replacement Rev

- b. Owners in arrears: Unit 23 is in arrears
- c. Warning Notices and Fines: None
- d. 2018 Budget approval. The 2018 Budget proposal Prepared by Kim Walters President is as follows:

September 2017

The HVV HOA Budget consists of three sections or 'Funds'. Homeowner dues are allocated to the 'Funds' to cover the respective expenses.

- I Operating Fund – Regular and Recurring Operations
- II Contingency Fund – Unforeseeable Unbudgeted Costs
- III Replacement Fund – Major Capital Repairs or Replacements

The winter of 2017 was intense with record snowfall. Snow removal costs skyrocketed to \$125K from Jan through Apr 2017. As a result we incurred the HOA emergency special assessment of \$63K. Fortunately, the HOA had

built adequate operating funds to cover nearly 40% of the extraordinary snow removal costs budget overage. Local lore says the winter of 2018 will be another big one!

Several major replacement items budgeted in 2017 have been deferred to 2018 partly due to the extremely long winter weather and subsequent micro summer. The HOA has also experienced months of management staffing deficiency in 2017. The absence of fully staffed management delays bidding, contracting and oversight of major replacement projects.

As costs of living continually increase so do expenses to operate and maintain the complex as well as expenses to repair and replace major components. However, due to unusual circumstances, the rising costs of numerous 2018 operating expenses are anticipated to be covered by savings or stagnation in other 2018 operating expenses.

The largest component of non-discretionary operating expenses is HOA property management. Management fees are not budgeted to increase in 2018. Former HOA property managers resigned in Feb 2017; and 2017 management fee expense did not increase compared to 2016. The second largest non-discretionary component of operating expenses is HOA property and vehicle insurance. 2017 HOA State Farm property insurance premiums decreased in the Jul 2017 new plan year.

A third unusual circumstance is a Jun 2017 HOA State Farm insurance claim for property damages resulting from excessive snow loads on roofs. \$15K HOA roof maintenance expense was budgeted in the 2017 replacement fund. Insurance claim funds will pay for roof repairs in lieu of general roof maintenance and repair. The \$15K budgeted in 2017 will not be spent and can be applied to future major replacement expenses.

The good news is that regular dues will not increase in 2018 due to the extenuating circumstances explained above.

At this time, no special assessment is anticipated for 2018. Snow removal is the single most variable operating expense. If Mother Nature decides to break more Mammoth snowfall records a special assessment is likely to follow.

## 1. OPERATING FUND

The 2018 Operating Fund Budget is equal to the 2017 operating budget.

- a. Insurance Expenses are flat due to 2017 premium reduction plus anticipated annual premium increases estimated at 3.0%.
- b. Management fees decrease \$4K due to 0% contract renewal rate increase in 2017 and 2018.
- c. Electric, Water/Sewer, and Trash Removal increase \$2.5K based on 2017 projected actual expenses and 2018 anticipated rate increases.
- d. Propane increases \$2.0K based on 2017 projected actual expense with margin for increase.

## 2. CONTINGENCY FUND

The 2018 Contingency fund balance is anticipated to remain at the current \$17K balance. It is recommended to replenish to \$35K in future years to cover unforeseen emergency expenses.

## 3. REPLACEMENT FUND

This area poses the greatest budget challenge, but has been guided by the June 2015 Reserve Study. Insurance claim funds for roof repairs were received in 2017 in lieu of \$15K budgeted roof maintenance expense. A trend of increasing dues will resume in future years in order to accommodate replacement costs and to build a replacement fund balance which meets best practices and standards. Annual increase of replacement funding is a step toward necessary funding for the current year and long term.

2018 Replacement Budget spending:

- a. The last Professional Replacement Reserve Study was completed in June 2015 and provides a much needed gauge with replacement component useful life and cost estimates.
  - i. A Reserve Study is required every three years according to current law. The next full study is due in 2018 at a budgeted expense of \$3K.
  - ii. The 2015 Reserve Study cost \$2.6K. Updates are available on an interim basis upon request. Update cost is dependent upon scope.
- b. Window replacement reimbursement costs are no longer budgeted. Owner approval of the updated CC&R's discontinued the HOA reimbursement in 2015.
- c. Copper plumbing (lower 6 buildings-\$297K) is NOT SLATED UNTIL 2025 in Reserve study. PLUMBING inspections performed in fall 2015 supported postponement.
- d. Major replacement costs budgeted for 2018 total \$130K.
  - i. Professional Reserve Replacement Study \$3K to be scheduled for summer 2018.
  - ii. Entire Parking Lot Slurry Coat \$7K – Lower portion coated in 2016, and entire parking lot coated in 2017. Entire parking lot is recommended in 2018 then every other year thereafter.
  - iii. Painting of 4+ buildings \$50K – 2+ buildings (I,K and G siding) were postponed from 2016 budget and 2 buildings (B,H) are postponed from 2017 budget.
  - iv. Painting of building A \$13K as in 2018 Replacement Study.
  - v. Pool resurface, tile, coping \$27K as in Replacement Study
  - vi. Upper Spa resurface \$11K as in Replacement Study
  - vii. Pool Heater, Filter, Pumps Replacement \$9K. Pool heater and filter replacement is scheduled for 2022 in Replacement Study, but requires immediate replacement due to constant repairs. Deferred from 2017 budget.
  - viii. Water Heater Replacement \$1K. Deferred from 2017 budget.
  - ix. Annual Building paint touch ups \$9K.
  - x. Annual Miscellaneous \$3K.
- e. The Replacement Study included \$36K for Manager and Asst Manager major unit remodels in 2017. Those items were not included in the 2017 Replacement Fund budget. The Asst Mgr unit was addressed and repaired in 2015. The Managers' unit is anticipated to receive \$3.5K new appliances in 2017. Major remodels are postponed to future years .

- f. Replacement Fund component spending and priorities will adjust as details are revealed, but it is important to remain 'Budget Aware' and to pursue conservative spending coupled with adequate funding.

Kim Walters  
HVV BOD Treasurer

Motion: Ruth Wheeler; Approve the budget proposal as presented

Second: Tony Cole

Passed: 6-0

3. Standing Committee reports:

a. Newsletter: Tony Cole will send out a newsletter in Oct. Billings.

b. Web Master/communications: Randy Balik: The website has not proved to be useful for the last several months. Randy would like to try to rebuild the website so that he can manage it more easily.

**Motion:** Tony Cole; have Randy Balik try to rebuild website not to exceed \$2,000

Second: Ruth Wheeler

Passed: 6-0

c. Operating Rules: The parking rule is ready for a vote.

**Motion:** Ruth Wheeler; Accept Rule 4 (Parking Regulations) as listed:

Rule 4 PARKING REGULATIONS

There is a maximum limit of two (2) vehicles parking per unit. All vehicles parking on Hidden Valley Village property must display an approved parking pass.

An approved parking pass will include the dates the pass is valid (unless it is an owners parking pass, which will not include dates the pass is valid) and the number of persons staying in the unit, delineated by number of adults and children occupying the unit. For purposes of this requirement, a child is defined as an individual younger than 16 years of age. In addition, if the pass is being provided by onsite management, then this information will also be kept in the office by management. This information is being retained for emergency situations in the event the number of occupants residing in a unit is needed by emergency personnel.

Any vehicle not displaying the approved parking pass is subject to towing at the owners expense. On site management will be responsible for initiating the towing of a vehicle not complying with these requirements.

These regulations do not supersede any other regulations in the CC&Rs pertaining to Vehicle Restrictions, such as section 7.4

Second: Steve Latshaw

Passed: 6-0

Operating Rules 1-7 have been approved by the board.

**Motion:** Ruth Wheeler; Submit the board approved operating rules 1-7 to Attorney Tim Sanford for legal review.

Second: Tony Cole

Passed: 6-0

d. Architectural/Landscape and Grounds Maintenance and Improvements: Ruth Wheeler

i) Follow up on structural engineer report on kitchen posts in units.-Due to the difficulties created by the on site management transition this project has not been completed. **Ruth** will get the contact information for the structural engineer to management so that they can schedule and complete this project by year end.

ii) Follow up on estimate for sewer line inspections-Management has procured bids from 3 plumbers.

**Motion:** Ruth Wheeler; Accept the bid from Mountain plumbing for \$2,123.00 to inspect 7 buildings and evaluate ways to inspect an additional 4 buildings that do not have accessible clean outs.

Second: Steve Latshaw

Passed 6-0

iii) Roof repairs: Contract has been signed, Freeman will start in late September. Freeman has requested that a contractor inspect the Chimney chase for unit 110 for structural damage unrelated to roofing.

**Motion:** Tony Cole have Boyd Sheplar inspect the chimney chase for unit 110 cost not to exceed \$200

Second: Steve Latshaw

Passed 4-2

iv) Insurance claim: The insurance claim monies in the amount of \$22,243.88 have been deposited in the HVV bank account and are tracked with related repair expenses in HVV financial reporting.

v) Interior unit repairs due to 2016-17 snow load damage: Management will take care of repairs.

vii) **Fall planting trees and manzanita:** approval to order plants not to exceed a cost of \$150 was done in June. Ruth Wheeler ordered 8 one gallon Jeffery pines at \$10 each and 2-three gallon Manzanita at \$26 each from Chalfant plant Nursery in Bishop. The plants will be delivered next Tuesday Sept. 19. They should be planted as soon as they get here and watered regularly until the snow falls. The bulbs that were planted on the East side of the lower Jacuzzi came up and offered a cheery bit of color this spring, but Squirrels got to the bulbs this summer.

viii) Window replacement request by unit 4

Owners of unit 4 request approval for like for like replacement windows

**Motion:** Kim Approve request to install new, like for like windows.

Second Greg

Pass 5-0-1 Tony Cole abstain

Homeowner Forum:

Quality TOML of life Ordinance - complaints of non-compliance and nuisance: This topic involved the participation of the full time tenant homeowners present at the meeting: Full time tenants who live in buildings H and I are particularly subject to detrimental impacts resulting from short term rentals. Some specifics mentioned are noise from loud conversations and cell phone conversations, pet noise, both within and outside units, excessive noise especially during quiet hours from within the rented units. Parking of non-permitted cars and tobacco smoking on landings and other prohibited locations. These things are detracting from the pleasure of living in Hidden Valley. Other concerns expressed were the possible negative effects on property values, mortgage and refinancing complications, as well as a California Realtors proposal to require disclosure to prospective buyers of the presence of adjoining or across from short term rentals. Owners who are affected by these quality of life issues are requested to record their complaints with management via the new written form available with the operating rules. Records of problems must be established in order for the board to deal with these problems.

The board has requested that management more closely monitor short term rentals by developing a list of infractions that management can identify. In order to assist owners with quality of life issues here at HVV the board has appointed Board Member Dave Natali as an ad hoc chair assigned to tracking complaints about noise, excessive occupancy, parking violations, and other Town of Mammoth Lakes violations relating to unit occupancy.

## 5. Old Business

b. Email communications to homeowners: The association is still missing some authorizations from owners to receive email communications. Valerie Black will try to complete the list of homeowners who have signed the authorization form as well as a comprehensive email list for all homeowners.

d. Water usage: Valerie figured out how to use the city website to monitor our water usage. This enables us to compare water usage from day to day. We can also see what our usage is at any given minute. This can help to identify water leaks and help us conserve water.

e. Dead trees on adjacent properties removal-follow up: Sherine, the contact for the Town of Mammoth for the city has not been contacted for follow up on this. Management will take care of this.

f. Firewood on the tennis courts-The rounds have been placed on "Buy Sell Trade" for \$500 there has been some interest, but the wood has not been sold yet. Management follow through on getting the wood sold

g. Final draft of Operating Rules-Will be sent to attorney for review. They will then be published and distributed to Homeowners at the annual meeting via email and/or hard copy

6. Management Reports: See Attached

7. Property Management project/item updates & related property matters

**Motion:** Tony Cole Accept the bid from Angelo's stove and chimney not to exceed \$2,315 to clean chimneys in units 1-48 and managers unit.

Second: Ruth Wheeler

Passed 6-0

Carmichael Business Technology offers a computer management service that maintains our computer and software, monitors hardware conditions, offers remote diagnosis of problems, recovery of files, etc. Cost is about \$20 per month. Considering the difficulties incurred with our hardware and software, even when Jessica & Matt were here, management recommends subscribing to the service.

**Motion:** Tony Cole; Use Carmichael Business Technology at a cost of \$20/month

Second: Ruth

Passed 6-0

Carpet pad replacement in the manager's apartment due to pet urine. Pad was replaced.

Possible excess payment to management during the February transition of managers: Management fee was reduced to \$6,000 for month of August.

In light of complaints from owners and the disruptive transition of management from February until present the Board made a list of requests in hopes that the daily operations at Hidden Valley can improve for both homeowners, their tenants, and management. It is hoped that both the board and homeowners will do their best to help management enforce the everyday rules of the complex.

List of Management requests:

- 1) Know who is in each unit at all times and have a cell phone contact for occupants
- 2) Issue parking passes to all guests and require that both guests and homeowners display their parking passes.
- 3) Prevent the use of common area facilities by unauthorized people
- 4) Monitor nuisance situations, write up (or have the complaining party write up) violations of association CC&R's and Operating rules.
- 5) Management needs to familiarize themselves with the CC&R's and the operating rules
- 6) When situations of nuisance, noise, overcrowding of units, unauthorized use of common area, lack of notice of guests arrivals and departures and phone numbers, management is expected to keep a written record of the offence and also email the owner of the disruptive unit to let them know that a rule has been broken associated with their unit.
- 7) Walk units upon departure of occupants and keep a log of the "walk through"
- 8) Follow up on tasks that have been assigned at board meetings
- 9) Work together with a spirit of teamwork and good communication

8. Email Motions June-Sept

a) June 12, 2017; **Motion**: Tony Cole; That the request of the owner of unit 126 to place rubber tread with dimensions: 15"W x 9" deep on the stairs leading to the landing serving Units 126 & 128 be approved

Second: Randy Balik

Passed: Yes; 4 (Cole, Balik, Latshaw, R. Wheeler)-No-1(Natalie)-Abstain-2 (Walters, G. Wheeler)

b) August 15, 2017; **Motion**: Tony Cole; Accept Freeman roofing contract for roofing repairs

Passed: 7-0

b) August 27, 2017; **Motion**: Tony Cole; Change from Frontier to Suddenlink for internet services for the common area.

Second: Ruth Wheeler

Passed: 7-0

#### 9. New Business

a. Sierra Loader Snow removal contract: We will continue to use Sierra Loader our contract automatically renews.

b. Pool Filter and heater replacement- Project Deferred

c. Reserve Study update: The reserve study scheduled for 2018 will be scheduled by management in the spring of 2018

d. Property management Contract updates-Steve will present in November.

e. Management fee reductions based on absence of Managers onsite for portions of the summer months. Steve will calculate cost and let the board know.

f. Short term rental concerns: VaCasa signs in window of unit 29. Management will request that sign be removed per CC&R's

#### 10. Homeowner Forum: The Homeowner forum items were partially addressed earlier in the meeting

a. HVV CC&R's article VII Use restrictions 7.2 time sharing (pg. 21) – purpose and intent. Kim expressed concerns that some of the short term rentals might constitute a violation of the CC&R's she will research and follow up at November Meeting.

b. Bulk Cable: Bulk Cable changes are in the works. It is looking like our bulk cable fees will decrease. Management will research this and notify the board via email. A notarized contract will need to be signed by Board President.

#### 11. Announcements:

Next Board Meeting: Saturday November, 11, 2017 10:00AM or immediately following exec meeting. Location Hidden Valley Common area Room. (exec meeting will start at 8:30)

Annual Homeowners Meeting Saturday November 11, 3:00 PM Location: The Sherwin Room at Juniper Springs Lodge. NOT the Shilo Inn- No food provided.

#### 12. Adjournment 10:30

### **MAMMOTH RESERVATION BUREAU**

*Property Management Division*

**PO Box 1608, Mammoth Lakes, CA 93546 (760) 934-1603 [www.mammothvacations.com](http://www.mammothvacations.com)**

HIDDEN VALLEY VILLAGE

Property Management Report

As of September 11, 2017

1. Manager's residence: Vacated by Robert Lopez and Sarah Wright on Thursday, August 30, 2017. Inspected by Steve Black prior to departure, no damages observed. Bear Floor Covering installed new padding underneath carpeting at MRB's expense. Carpets cleaned by Diamond Carpet Cleaning at MRB's expense. Clothes washer and dryer were removed; Jeff is reinstalling sink in bathroom. In addition he is patching drywall and painting where needed.

2. Management ordered a new electric range/ oven from Sears for the manager's residence. Cost was \$399 plus tax. It should arrive on September 15. MRB paid on our credit card and will invoice HVV for reimbursement.
3. Staff solicited proposals for scoping drain lines from three contractors as follows: Eastern Sierra Plumbing- not available until next year. Villar Construction- verbal bid, \$1700 per day for 2 days, total \$3400 (estimated). Mountain Plumbing, \$1925 for 7 buildings that have outside cleanouts. Four additional buildings each require plumber to crawl under building and locate either a cleanout or a place to cut into the drain line. There would be forthcoming, the plumbers findings and an estimate for scoping and installing or adding a cleanout to an exterior location for each building. This can be done before winter upon approval by the Board. Mountain Plumbing's current proposal will be emailed separately from this management report.
4. Angelo's Stove and Chimney submitted their proposal for chimney cleaning Units 1- 48 plus the manager's residence. Cost is \$35 per fireplace chimney or \$75 per pellet stove. Their proposal lists 49 units' chimneys swept and 8 pellet stoves chimneys and stoves cleaned. Billing would be adjusted to actual number of chimneys swept and pellet stoves serviced. Angelo's Estimate will be emailed separately from this management report.
5. Staff solicited proposals for painting buildings from Kelly Painting, Four Points Painting, Kihaloha Painting, Sierra Paint and Drywall and Turnkey Services. Only Kihaloha indicated that he could paint this year but did not submit his promised proposal. Turnkey submitted a proposal but is booked through the year. The proposal was \$15000 per building, all rolled on/ hand- brushed painting (no spraying). A hand written proposal was given to management by Turnkey owner Lynn Morris. Since we were unfamiliar with Turnkey's work we contacted The Bridges Management where Turnkey just completed painting and received a very positive recommendation. Most of the aforementioned vendors would like to submit painting proposals for next year.
6. As previously mentioned, new sand filters will not fit in the upper pool/ spa equipment room. Since the heaters and filters have operated steadily for the past few months, Management feels that replacement is not needed at this time, although there is no guarantee that failures would not occur during winter. Replacements are scheduled for 2021 in the Reserve Study. The 2015 Reserve Study indicates that the pool is funded for resurfacing and new coping in 2018, and needs it. The spa is also scheduled for resurfacing next year.

The pool has been shut down and covered, as the weather seems to be turning colder.
7. Staff placed ads on local "buy, sell and trade" websites for the tree rounds on the tennis court . There has been discussion with several individuals and messages left for firewood companies but a sale has not yet been made. Management is asking \$500 for the rounds, haul offsite as is, no splitting on our location.
8. Valerie met with Betty Hylton at the Water District and obtained instructions and passwords for obtaining information about our water usage from their system. We have printed, a comparative chart by month for 2017 vs. 2016 water costs for HVV, along with monthly water consumption data. There are details on the WaterSmart program which measure water consumption that will help management to recognize problems as they occur. We have to learn to use the system to our benefit.
9. Management has ordered wildflower seeds for fall planting and located the chart that identifies previous plantings of different varieties of seeds. Some plants that had bloomed have been cut back for fall as they began to wither.
10. During the last few months there has been much administrative catching up to do in the office. Valerie has worked with Jeff and the desk manual to restore our former systems. Charts have been updated for arrivals and departures, emails from homeowners read, responded to and filed, computer passwords and voice mail message changed, Juniper Springs Lodge Conference Room reserved for Annual HOA meeting, engaged Carmichael Business Technology to help diagnose computer problems and recover files that became inaccessible, began



updating homeowner information on spreadsheet developed by Kim, contacted rental companies to update which HVV units they represent, requested their arrival/ departure information and much more.

11. Carmichael Business Technology offers a computer management service that maintains our computer and software, monitors hardware conditions, offers remote diagnosis of problems, recovery of files, etc. Cost is about \$20 per month. Considering the difficulties incurred with our hardware and software, even when Jessica & Matt were here, management recommends subscribing to the service. See flyer in separate email.

12. A new contract was obtained from Amerigas, effective August 26, 2017. We should experience lower propane rates on our October bills for September consumption. In July, 2018, management will initiate a contract renewal before the current one expires.

12. Our newly hired Assistant Manager, Tyler Simmons, is scheduled to begin working with Jeff this weekend. Once trained, Jeff will begin addressing remaining projects including retaining wall repairs, drywall repairs from last winter's damage that have not yet been completed, plantings, winter preparations such as snow stake installation and storage of hoses and other equipment. Jeff also will be encouraged to take some well deserved time off. Management is still interviewing for a permanent office administrative person.

13. Not yet confirmed is the condition of Unit 110 chimney chase. Freeman Roofing is finding a licensed contractor to submit an inspection report of the conditions and repairs required for that chase. Freeman anticipates commencing roof repairs at the end of September. Management will present to the Board by email, proposed contractor fees before engaging a vendor. We still would rather use Boyd Shepler as he is familiar with our roofing structure.

14. State of the Complex:

- a. Truck mileage at Sept. 4: 86,476.
- b. # of rental units: July 31, 30; Aug. 31, 30.
- c. Rental occ. %: July 31, 23.1% ; Aug. 31, 18.1% .
- d. Units for sale/ sold: n/a, trying to locate source of info.

Respectfully submitted,

Valerie, Jeff & Steve  
HVV Property Management

## HIDDEN VALLEY VILLAGE CONDOMINIUMS OPERATING RULES

### Rule 1 VIOLATION OF ASSOCIATION RULES

Any violation of these Association Rules, or other official documents governing the Association, may result in a notice of warning, written or verbal, or fine, or penalty to the Owner on record and, if practical, his or her tenant. Written notices, including those that contain proposed fines and/or other disciplinary action, will be initiated from either the Board of Directors or their authorized management person. Written notices shall be delivered to the Owner on record for any violations by such Owner, Owner's family, co-inhabitants, his or her guests or tenants, cleaning staff, workers or contractors, within ten (10) calendar days after becoming aware of the violation.

The primary purpose of any written notice and/or verbal warning and/or fine or penalty is to correct the behavior or conditions causing the violation.

Complaints

Owners, and their tenants, have the right to submit a complaint concerning any person violating the Association's rules or policies. It is encouraged that complaints be submitted in writing to the on-site manager without delay for processing.

<b>HIDDEN VALLEY NUISANCE COMPLAINT FORM</b>	
Name of Person Creating Nuisance _____	
Unit Number _____	Owner of Unit _____
Date of Nuisance _____	Time of Nuisance _____
<b>TYPE OF NUISANCE/DISCRPTION</b>	
<input type="radio"/> Noise: _____	
<input type="radio"/> Pet: _____	
<input type="radio"/> Excess People in Unit: _____	
<input type="radio"/> Smoking: _____	
<input type="radio"/> Pool/Spa Violations: _____	
<input type="radio"/> Trespass: _____	
<input type="radio"/> Parking Violation: _____	
<input type="radio"/> Other: _____	
Name of Complainant: _____	
Signature of Complainant: _____	
Unit Number: _____	Owner of Unit: _____
Date of Form Submission: _____	
Is this a Repeat Offense? _____	
Additional Comments may be included on the back of this form:	

The fine schedule is as follows:

First Offense:	\$250
Second Offense:	\$500
Third Offense:	\$1,000

Notices proposing fines and/or other disciplinary action shall be personally delivered, or by first class mail, or email to the Owner on record at least ten (10) calendar days before a scheduled Board meeting, or by fifteen (15) calendar days if the proposed action includes suspension of privileges. In either case, an Owner retains the right to present his or her case in a hearing before the Board. An Owner also has the right to submit a written response involving the violation(s) to the Board. Additional fines and/or other actions by the Board of Directors may be approved for any repeated violations, including those that occur following a third offense.

#### Due Process

The Board of Directors shall follow “due process” in accordance to the Association’s governing documents and any applicable civil codes and laws. The Board shall enforce the rules and policies of the Association in a fair and reasonable manner, and take into consideration all circumstances and evidence before approving any action regarding the complaint and/or violation.

#### Actions by the Board

Actions by the Board of Directors in connection with any violation of the Association’s governing documents (CC&R’s, Bylaws, Rules, Regulations, etc.) may include, but are not limited to:

- a) Verbal and written warnings, or written notices proposing fines and/or other actions.
- b) Hearing before the Board in executive session.
- c) Fines levied in accordance to the above fine schedule.
- d) Assessments charged to Owners to reimburse the Association for any costs of repairing the Common Area for any damage caused by such Owner, or to reimburse the Association for costs incurred in bringing an Owner’s residence to compliance.
- e) Suspension of voting rights and/or rights to use any Common Area facilities.
- f) Instituting Internal Dispute Resolution or Alternative Dispute Resolution.
- g) Other actions, including court action, or a combination of actions, as permitted by law.

### **Rule 3 TRANSIENT RENTAL ACTIVITY AND TRANSIENT RENTERS OCCUPANCY LIMITATIONS**

This rule is intended to ensure that transient rental use does not create adverse impacts to a neighboring unit or the association as a whole due to excessive traffic, noise, trash, and similar issues. Additionally, this rule is intended to ensure that the number of occupants within such transient rental unit does not exceed the design capacity of the unit or cause health and safety concerns.

Transient Rental Activity occurs when a unit is occupied by a person(s) for a period of 30 consecutive days or less in exchange for a fee or other consideration.

Transient rental activity is currently permitted in this multi-family residential property in the TOML, as allowed by Title 17 Zoning. Transient rental activity is permitted by the HOA only after written notification to Management and the Board of Directors of such Transient Rental Activity and after issuance of a Business Tax Certificate and Transient Occupancy Tax Certificate pursuant to TOML Municipal Code Sections 5.04 and 3.12. Both certificate copies must be delivered to the HVV Management office prior to any transient rental activity commencing. The Business Tax and Transient Occupancy Tax Certificates must be maintained at all times. Transient Rental activity must adhere to all applicable TOML Municipal Code sections as well as the California Building Code and the California Residential Code and any amendments thereto. Any violation of the aforementioned codes is considered a violation of this rule.

The maximum number of person who may occupy any condominium unit as transient occupants or their overnight guests shall be limited to two persons per bedroom plus two. Lofts that meet California Building Code egress requirements are considered a bedroom for the purposes of this occupancy calculation. A request for increase in maximum number of persons occupying any unit as transient renters or their overnight guests is not permitted.

- Studio 2 transient occupants maximum
- Studio+Loft 4 transient occupants maximum
- One Bedroom 4 transient occupants maximum
- One Bed+Loft 6 transient occupants maximum
- Two Bedroom 6 transient occupants maximum

Should the California Health and Safety Code, the 1997 Uniform Housing Code, or the TOML Municipal Code Chapter 5.40 – Transient Rentals of Residential Units (also known as the Quality of Life Ordinance) reduce the occupancy calculations, this rule will automatically reduce occupant maximums accordingly.

Each transient rental unit must have a notice posted within the unit in a location clearly marked and accessible to the transient occupant(s) containing all HOA Rules and all information as specified in TOML Municipal Code Section 5.40.040 Par B.

The Transient Rental Operator, which is generally a rental management company, the unit owner, or other designated party managing transient rental activity, must notify Management in writing of each occurrence of occupancy for the unit.

Information shall include but is not limited to:

1. Unit number
2. Arrival date
3. Departure date
4. Number of Transient occupants (# of Adults and # of children)
5. Transient occupant contact name
6. Transient occupant contact phone number
7. Local Operator contact name and phone number

Any vehicle parked on property associated with the transient occupant(s) must display a parking permit identifying the unit number and dates of occupancy. Parking permits are provided to the transient occupant by Management or the rental management company as applicable. Issuance of parking permits and parking of vehicles shall be limited and administered in accordance with the **Parking Rule**. Any transient occupant vehicle that does not have the necessary and appropriate parking permit visibly displayed is subject to immediate towing at the vehicle owner's expense.

#### Rule 4 PARKING REGULATIONS

There is a maximum limit of two (2) vehicles parking per unit. All vehicles parking on Hidden Valley Village property must display an approved parking pass.

An approved parking pass will include the dates the pass is valid (unless it is an owners parking pass, which will not include dates the pass is valid) and the number of persons staying in the unit, delineated by number of adults and children occupying the unit. For purposes of this requirement, a child is defined as an individual younger than 16 years of age. In addition, if the pass is being provided by onsite management, then this information will also be kept in the office by management. This information is being retained for emergency situations in the event the number of occupants residing in a unit is needed by emergency personnel.

Any vehicle not displaying the approved parking pass is subject to towing at the owners expense. On site management will be responsible for initiating the towing of a vehicle not complying with these requirements.

These regulations do not supersede any other regulations in the CC&Rs pertaining to Vehicle Restrictions, such as section 7.4

## Rule 5 NUISANCE – QUIET ENJOYMENT

No noxious or offensive activity shall be carried on in any portion of the Association’s development by Owners or co-inhabitants, his or her tenants or guests, nor shall anything be done thereon which might be or become an annoyance or nuisance, which may interfere with the rights of quiet enjoyment of occupants within the development or which shall in any way increase the rate of any insurance. No Owner or occupant shall engage in any activity within the development which is in violation of any law, ordinance, statute, rule or regulation of any local county, state or federal body.

Quiet use and enjoyment of condominium units is a property right for all owners and their tenants. The noise nuisance definition and enforcement can be found in the Town of Mammoth Lakes Municipal Code, Chapter 8.16 Noise Regulations. It is important to realize that our building construction and design easily transfers noise to adjacent units, especially units that exist below other units. Types of noise include, but are not limited to:

- \*Television and stereo volume
- \*Foot traffic especially on stairs
- \*Talking
- \*Slamming of doors/cabinets
- \*Movement of Luggage
- \*Appliances

Although it is not practical or feasible to eliminate all noise, minimizing noise when possible is deserved and appreciated by all those residing at our complex. Between the hours of 10:00 PM to 7:00 AM it is particularly crucial to minimize all noise as to not disturb other occupants in adjoining or nearby condominium units.

Many of the complaints by our owners and tenants come to light due to condominium units being used for transient rentals. On occasion excessive noise is caused by persons using our pool and spa. In any event of noise nuisance a courteous reminder to the person or persons creating the disturbance is acceptable and appreciated if possible. It is advised that anyone experiencing excessive noise and/or nuisance contact the onsite manager. The onsite manager will investigate and document the complaint asking the occupant(s) to discontinue the excessive noise/nuisance. In some cases, it may be appropriate for the complainant to contact the local police for unreasonable and excessive noise especially after 10:00 PM. In addition to Management documentation of nuisance issues the complainant should document noise and nuisance problems by filing the Hidden Valley Nuisance Complaint Form with the onsite Managers.

The Association shall hold owners of condominium units strictly responsible for the control of excessive noise or other nuisances generating from their condominium unit or their guests or tenants using any common area. Complaints of excessive noise will result in fines assessed to the owner. Owners leasing or renting their units shall assure compliance to all rules and policies by their tenant(s)/guest(s). In addition to fines levied by the Association, the municipal code allows for enforcement and fines by the local authorities.

## Rule 6 PETS

Pets occupying units are restricted to the category of “usual and ordinary” such as, dogs and cats. Restrictions on pets are created to eliminate nuisance to others and promote safety. The following rules governing pet, and pet owner behavior will be enforced by HVV Management.

- As judged by management, pet noise must be kept to a minimum to avoid becoming a pervasive nuisance.
- When outside, movement by pets must be carefully controlled by keeping them on a leash and not left alone.

- Pets must be kept away from visitors uncomfortable with their presence.
- Pet owners must diligently clean up and properly dispose of all defecation from the pet.

Fines for breaking these rules will follow guidelines in Violation of Association Rules (Rule 1). The monetary Fine Schedule/Penalties will apply to infractions of pet rules. (Rule 2)

#### Rule 7 SMOKING

The smoking of any product using cigarettes, electronic cigarettes or pipes is strictly prohibited in any Common Area in the development that is within twenty feet (20') of any condominium unit or building. Common Areas include, but are not limited to; condominium unit decks, stairways, porches, pathways, pool/spa areas, barbeque areas, and driveways. City Ordinances may also prohibit or restrict smoking in areas outside the development.